



**Livestock and Seed Program
Audit, Review, and Compliance Branch
Quality System Audit Report**

AUDIT INFORMATION

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| Applicant Name: | Agricultural Services Certified Organic (ASCO) |
| Est. Number: | N/A |
| Physical Address: | 142 Rodgers Road, Salinas CA 93907 |
| Mailing Address: | PO Box 4871, Salinas CA 93912 |
| Contact & Title: | Katherine Borchard, Director and Partner |
| E-mail Address: | ascorganic@aol.com |
| Phone Number: | 831-449-6365 |
| Auditor(s): | Steve Ross |
| Program: | USDA National Organic Program (NOP) |
| Audit Date(s): | January 17, 18, 23, 2006 |
| Audit Identifier: | NP6017DDA |
| Action Required: | Yes |
| Audit Type: | NOP Accreditation Desk Audit |
| Audit Objective: | To determine the compliance of the company's quality manual to the requirements of the audit criteria |
| Audit Criteria: | <ul style="list-style-type: none">• <i>USDA, AMS, 7 CFR Part 205, National Organic Program, Final Rule</i>, dated December 21, 2000 and• <i>ARC 1025 Procedure, National Organic Program (NOP), Accreditation for Organic Certification Organizations</i>, dated June 3, 2003 |
| Audit Scope: | ASCO Quality Manual dated October 14, 2005; ASCO Handbook, dated October 14, 2005 |
| Location(s) Audited: | Desk Audit |

ASCO is a for-profit organization that was established by Articles of Incorporation filed with the State of California on April 15, 2004, and approved on November 2, 2005, as a Limited Liability Company. ASCO consists of one office and is co-owned by Gerry Willey, Katherine Borchard, and Richard Nutter. The TM-10CG Application for Accreditation did not list any numbers for potential clients, but ASCO is seeking accreditation for Crops, Wild Crops, Livestock, and Handling/Processing operations. ASCO is available to all clients that fall within their areas of accreditation for organic certification. The ASCO materials were received by the auditor of record on December 8 and 16, 2005.

Currently ASCO has 3 staff positions, which are: Marketing and Program Review occupied by Gerry, Certification Approvals and Program Management occupied by Katherine, and Certification Application Review and Site Inspections occupied by Richard. No other staff or inspection personnel were identified in the application. A description of the responsibilities and qualifications of all personnel is contained in



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the quality manual and indicates that they have the necessary experience, training, and knowledge to conduct their duties as assigned. Richard will review applications and conduct the on-site inspections, Katherine will review the inspection reports and issue the approval(s) of clients, and Gerry will conduct the program review and personnel evaluations. Conflict of interest and confidentiality forms were submitted that were signed by the three staff members.

When an applicant inquires about certification, a determination is made as to whether they qualify as an exempt or excluded operation. Applicants for certification are provided with an application packet which contains the ASCO Handbook, applicable organic system plans, cost estimate, and forms. The ASCO Handbook contains the NOP Rule Section 100-600 verbatim which includes the NOP Standards for production and labeling. The fee schedule and notification of non-refundable fees complies with section 205.642 and appears reasonable and is filed with the administrator.

A pre-review will be conducted on the application to determine if the application is complete and the applicant appears to comply. The on-site inspection will be conducted at this point in time by the application reviewer. The decision to grant certification will be made by a different person than the one that conducted the review and inspection. The certificate to be issued meets the requirements of section 205.404(b). The effective date of the certificate is listed as "Date of Issue" with an "Amended Date" if the certificate is changed.

ASCO has procedures in place to address:

- Granting, denying, maintaining and withdrawing certification
- Major and minor non-compliances
- Investigations in response to complaints
- Additional announced and unannounced inspections
- Sampling and testing
- Mediations and appeals
- Annual performance evaluations
- Training
- Management review (annual program review)
- Record keeping and retention
- Submitting the annual report to the NOP

FINDINGS

Procedures and records reviewed verified that Agricultural Services Certified Organic is able to comply with the requirements of the audit criteria except as noted below. Two minor non-compliances were identified during the review.

NP6017DDA.NC1 – Minor – NOP 205.501(a)(6) requires the certification agent to conduct an annual performance evaluation of all persons who review applications, perform on-site inspections, ... make certification decisions..." *The ASCO Quality Manual only identifies the inspectors as having annual performance evaluations conducted.*



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NP6017DDA.NC2 – Minor – NOP 205.404(b)(3) requires the certification agent to issue a certificate which specifies ... categories of organic operation, including crops, wild crops, ..." *The sample certificate submitted by ASCO lists "production" instead of "crops" for the category.*